

**REMARKS**

With entry of the foregoing amendments, Claims 1-58 are pending in this application. The Examiner rejected all of the claims. Claims 1, 3, 9, 13, 14, 20-39, 41, 46, 50 and 51 have been amended. New claims 57 and 58 have been added. No new matter is introduced by this amendment. Reconsideration is respectfully requested.

*Introduction*

The present invention provides a system and method for comparing financial products as funding sources for a financial plan, such as a non-qualified supplemental benefits plan. The invention involves the use of a processor to select and compare two or more financial products based on a weighted sum of attribute values that is generated for each product. The weights for each of the attributes are obtained by querying a user through a user interface. These weighted product scores are then presented to a user to serve as a comparison of tradeoffs associated with each of the selected financial products.

Specifically, the present invention scales the attribute values for the selected financial products across each attribute by a dispersion factor to generate a set of relative attribute scores. By scaling the attributes by the dispersion factor, the scores are dispersed in a manner that reduces clustering of scores. The user may change the weights assigned to each of the attributes in order to analyze different tradeoff scenarios.

*Claim Rejections - 35 U.S.C. § 112*

The Examiner rejected claims 9, 13, 20-38, 46, and 50 under 35 U.S.C. § 112, second paragraph.

Claims 9, 28 and 46 recite specific categories of attributes that can be used to compare two or more financial products as funding sources for financial plan, including “contractual features.” The Examiner is of the opinion that the term “features” is vague and indefinite. Claims 9, 28 and 46 have been amended to clarify that the “contractual features” category includes “attributes associated with contractual provisions, contractual guarantees, fund choices of a contract, and fund performance of a contract.” Support for this amendment can be found in

the specification at least from page 14, line 5 through page 15, line 20. Applicants believe that this rejection is now overcome.

Claims 13, 32 and 50 recite the “suitability of underwriting offer” as another attribute for comparison of financial products. The Examiner is of the opinion that the term “suitability” is vague and indefinite. Claims 13, 32 and 50 have been amended to recite “a subjective assessment of an underwriting offer relative to terms of insurance coverage.” Support for this amendment can be found in the specification at least on page 15, lines 21-25. Applicants believe that this rejection is now overcome.

The Examiner also rejected claims 20-38 as being vague and indefinite based on their classification as a “system.” Specifically, the Examiner is of the opinion that a “system” may be one of several different statutory classes of invention, including a method or apparatus. Claims 20-38 have been amended to recite a “server apparatus.” It is believed that this rejection is now overcome.

#### *Claim Rejections - 35 U.S.C. § 101*

The Examiner rejected method claims 1-19 as being non-statutory under 35 U.S.C. § 101 for failing to claim a technological basis in the body of the claim. The rejection can be overcome by amending the claims to include “at least one structural/functional interrelationship that can only be computer implemented.” (Office Action, page 3)

Claims 1 has been amended to recite “a method for execution by a data processor, the method comparing financial products as funding sources for a financial plan,” which produces the useful result of weighted product scores that serve as the basis of product comparison. Support for this amendment can be found at least in FIGS. 2, 4A-4F, and 5A-5M and in the specification at least on page 6, line 13 through page 7, line 7. Specifically, the disclosure teaches that the claimed invention is implemented in a data processor, such as a client-server arrangement or on a stand alone general purpose computer.

Furthermore, claim 1 now recites the additional steps of “providing a user interface for selecting two or more financial products for comparison of a set of attributes” and “retrieving the attribute values from a storage location for each of the selected financial products.” These steps

can only be implemented by a data processor. Support for this amendment can be found at least in Figs. 2, 4A-4F, and 5A-5M and in the specification from page 6, lines 28 to page 7, line 7.

Applicants believe that claims 1-19 now recite statutory subject matter, and thus the rejection under 35 U.S.C. § 101 is now overcome.

*Claim Rejections - 35 U.S.C. § 103*

*Robinson*

The Examiner rejected claims 1, 3-8, 18-20, 22-27, 37-39, 41-45 and 55-56 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,484,152 to Robinson.

Robinson discloses a system and method that merely outputs a list containing combination of securities for maximizing portfolio valuation based on an input set of investment characteristics and limits. Specifically, Robinson discloses a method of using linear programming to define and maximize an objective function that is based on a weighted sum of user-selected factors to produce the portfolio of securities. These user-selected factors are standardized relative to the average value of one of the factors. The output of the Robinson system is a set of individual stocks and the number of shares of each. (Robinson, col. 5, ln. 36 through col. 8, ln.32).

The present invention provides a system and method for comparing two or more financial products for use as a potential funding source by generating weighted product scores from relative attribute scores. Unlike the “user-selected factors” in Robinson, the present invention scales the attribute values of the financial products across each attribute by a dispersion factor to generate a set of relative attribute scores for each attribute, such that the set of relative attribute scores for each attribute are dispersed to reduce clustering. This feature is now positively recited in claims 1, 20 and 39. Support for this amendment can be found at least in the specification from page 9, line 15 to page 11, line 8.

According to one embodiment, Fig. 3B is a flow chart that illustrates a method for scaling the attribute values by a dispersion factor. At 700, the server 100 identifies a maximum raw score and a minimum raw score for each attribute from the set of scores collected from each product. For example, referring to FIGS. 4C and 4D, the maximum raw score for the

“Cumulative A/T (After Tax) Effect on Earnings, Year 5” attribute under Funding Analysis is \$4,780,000 for Product I, while the minimum raw score is \$2,765,888 for Product D.

At 710, the maximum raw score and the minimum raw score for each attribute are adjusted by a dispersion factor. The dispersion factor is used to reduce clustering of scores and to curve the results of a particular attribute. According to one embodiment, the adjusted maximum scores and adjusted minimum scores are calculated in accordance with equations 1 and 2 below:

$$\text{Adjusted minimum score} = \text{Minimum raw score} - (\text{Spread} \times \text{DF}\%) \quad (1)$$

$$\text{Adjusted maximum score} = \text{Minimum raw score} + (\text{Spread} \times (1 + \text{DF}\%)) \quad (2)$$

where “Spread” is the difference between the maximum and minimum raw scores.

Referring to FIG. 4D, the dispersion factor (“DF%”) used in this embodiment is 10.00% for all attributes. For the “Cumulative A/T (After Tax) Effect on Earnings, Year 5” attribute under Funding Analysis, the spread used in the given example is \$2,014,112. Thus, the adjusted minimum value is \$2,564,477 (*i.e.*, \$2,765,888 - (\$2,014,112 x 0.10)) for Product D, while the adjusted maximum value is \$4,981,411 (*i.e.*, \$2,765,888 + (\$2,014,112 x (1+0.1))) for Product I.

At 720, an adjusted range is calculated by subtracting the adjusted minimum score from the adjusted maximum score. Referring to FIG. 4D, the adjusted range for this attribute is \$2,416,934 (*i.e.*, \$4,981,411 - \$2,564,477).

At 730, the raw scores are scaled according to the adjusted range to generate a set of relative attribute scores. According to one embodiment, the following equation is used to scale each of the raw scores for each attribute:

$$(\text{Raw score} - \text{Adjusted minimum score}) / \text{Adjusted range} \quad (3)$$

For example, the relative attribute score of Product I for this attribute is approximately one (1) (*i.e.*, (\$4,780,000 - \$2,564,477)/\$2,416,934), while the relative attribute score for Product D is approximately zero (0) (*i.e.*, (\$2,765,888 - \$2,564,477)/\$2,416,934).

At 740, weighted scores for each attribute for each product are calculated by the product of the relative attribute scores and their assigned weight. For example, referring to FIG. 4E, the weighted relative attribute score for Product I for this attribute is 3 (*i.e.*, 3x1), while the weighted relative attribute score for Product D is 0 (*i.e.*, 3x0). Claims 1, 20 and 39 have also been amended to clarify that the assigned weights are obtained by querying a user through a user

interface. Thus, a user is interactively involved in the process for comparing financial products on a per attribute basis.

For the convenience of the Examiner, Exhibits A and B are enclosed for the purpose of illustrating how the weighted relative attribute scores are dispersed by a dispersion factor to reduce clustering. No new matter is introduced by these exhibits. Specifically, Exhibit A hereto is a bar graph representation of the very same values that were listed for the retrieved attribute values in Fig. 4C for Products A-J. These attribute values correspond to the attribute “Cumulative A/T (After Tax) Effect on Earnings, Year 5” in the Funding Analysis category in Fig. 4C. As shown, most of the products have attribute values that are clustered between \$350,000 and \$450,000.

Exhibit B hereto is a bar graph representation of the very same relative attribute scores in Fig. 4E for Products A-J for this attribute after they are dispersed. Specifically, the relative attribute scores are now dispersed in that instead of having a cluster of values about some median range, the scores are distributed in such a way that products can be easily identified as best, worst and intermediate performers for a particular attribute. For example, Products A, E and I produce the best results, Product D produces the worst result, and the remaining products produce intermediate results. The present invention therefore performs such dispersive scaling for each of the attributes, resulting in the clustering of scores being reduced on a per attribute basis.

In contrast, Robinson merely standardizes all of the factor values according to the average value of one of the factors to facilitate generation of the weighted sum of factors with respect to the same unit of measurement. Such standardization neither disperses clusters of factor values nor emphasizes product differences on a per attribute basis.

Claims 3, 22 and 41 recites the steps for scaling the attribute values by a dispersion factor for the particular embodiment previously described with reference to Fig. 3B. In particular, these claims recite (i) identifying a maximum value and a minimum value from the selected financial products for a particular attribute; (ii) calculating an adjusted maximum value and an adjusted minimum value by applying a dispersion factor to the maximum and minimum values; (iii) calculating the adjusted range from the adjusted maximum and minimum values; and (iv) generating a relative attribute score from the adjusted range for each financial product resulting in a set of relative attribute scores for the attribute being dispersed within the adjusted

range. The Examiner is of the opinion that Robinson discloses these features. The Applicants respectfully disagree.

Citing column 6, lines 28-51, the Examiner states that in Robinson “maximum and minimum values are identified and adjusted values and range are made.” This is not correct. The passage cited by the Examiner merely refers to the ability of the system to receive any user-specified feature of the portfolio, including “minimum” constraint levels, and to subsequently produce a portfolio that “maximizes” valuation after satisfying these constraints. These minimum and maximum values are not used by Robinson to generate a relative attribute score from the adjusted range for each financial product resulting in a set of relative attribute scores for the attribute being dispersed within the adjusted range, as now recited in claims 3, 22 and 41.

Moreover, as now recited in claims 1, 20 and 39, an advantage of the present invention is that the weighted product scores are presented to a user to serve as a comparison of tradeoffs associated with each of the selected financial products. In contrast, Robinson does not present the weighted product scores to the user. Rather, it merely suggests a listing of securities and does not provide a user with any comparison of the output set of securities versus those that were discarded from the portfolio.

Thus, it is believed that claims 1, 3, 20, 22, 39 and 41 are patentable in light of the prior art of record and should be allowed.

By virtue of their dependency to claims 1, 20 and 39 respectively, the same arguments apply to dependent claims 4-8, 18, 19, 23-27, 37, 38, 42-45 and 55-56 such that the features of claims 1, 20 or 39 in combination with the features of the dependent claims are neither disclosed nor suggested by the cited prior art of record. For at least these reasons, are novel and non-obvious.

Furthermore, by virtue of their dependency to claims 1, 20 and 39 respectively, claims 2, 9-17, 21, 28-36, 40 and 46-54 are also believed to be patentable.

*Bi et al*

The Examiner rejected claims 2, 21 and 40 as being unpatentable over Robinson in further view of U.S. Patent No. 6,311,782 to Bi et al. Specifically, claims 2, 21 and 40 each

recite the feature of “changing the assigned weight for at least one of the attributes to compare financial tradeoffs.” The Examiner is of the opinion that Bi et al discloses this feature.

Applicants respectfully disagree.

Bi et al discloses a search engine in which an input search request includes multiple elements each assigned with a weight of importance. Each matching search result has a score indicating a satisfaction level of the user, enabling the search engine to order and rank each result. None of the Figures nor the passage cited by the Examiner disclose changing the weight of importance for each element to compare financial tradeoffs. At best, changing the weights in Bi et al would possibly change the search results. In the present invention, by merely changing the weight for at least one attribute, the selected financial products do not change, only their corresponding weighted product score change. (Bi et al, col. 2, lines 12-55)

Thus, for at least this additional reason, it is believed that claims 2, 21 and 40 are patentable in light of the prior art of record and should be allowed.

Powers et al

Ryan et al

Tyler et al

DeTore et al

The following discussion relates to several rejections and corresponding references cited by the Examiner.

Specifically, the Examiner rejected claims 9, 10, 15, 16, 28, 29, 34, 35, 46, 47 and 52, 53 under 35 U.S.C. § 103(a) as being unpatentable over Robinson in further view of U.S. Patent No. 6,684,190 to Powers et al. Powers discloses a financial illustration system for evaluating, exposing and re-balancing the inherent risk in various financial planning areas.

The Examiner rejected claims 11, 17, 30, 36, 48 and 54 under 35 U.S.C. § 103(a) as being unpatentable over Robinson in view of Powers and in further view of U.S. Patent No. 5,802,500 to Ryan et al. Ryan discloses a computer system for generating a financial projection of a pre-funding program for post-retirement employee benefits.

The Examiner rejected claims 12, 31 and 49 under 35 U.S.C. § 103(a) as being unpatentable over Robinson in view of Powers and in further view of U.S. Patent No. 5,523,942

to Tyler et al. Tyler discloses a graphical user interface for receiving instructions and information relating to insurance products and for displaying insurance proposals thereto.

The Examiner rejected claims 13, 32 and 50 under 35 U.S.C. § 103(a) as being unpatentable over Robinson in view of Powers and in further view of U.S. Patent No. 4,975,840 to DeTore et al. DeTore discloses a method and apparatus for evaluating a potentially insurable risk.

Applicants note that the patent number for DeTore et al was missing in the PTO Form 892 and was provided by the Examiner over a telephone call to the undersigned on August 16, 2004.

The Examiner cites Powers, Ryan, Tyler, and DeTore in order to reject claims 9-13, 28-32, and 46-50, which recite specific attributes within different types of categories for comparison of financial products. The Examiner is of the opinion that it would have been obvious to include such attributes in a relative comparison of financial products because such attributes are generally known. Applicants respectfully disagree.

At best, these references merely disclose that such attributes are known or can be generated to express or describe the performance of a financial product. None of the cited references teach or suggest that the recited attributes, alone or in combination, are useful for evaluating financial products as funding sources for a financial plan.

Likewise, the Examiner also cites Powers in order to reject claims 15, 16, 34, 35, 52 and 53, which recite either the type of the financial products under comparison or the type of financial plan being funded. Again, these references merely disclose that such financial products and plans are known. However, none of the cited references teach or suggest that a weighted scores analysis that can be applied to different types of financial products and financial plans.

For at least these additional reasons, it is believed that claims 9-13, 15, 16, 28-32, 34, 35, 46-50, 52 and 53 are also patentable in light of the prior art of record and should be allowed.

#### Davis

The Examiner rejected claims 14, 33 and 51 under 35 U.S.C. § 103(a) as being unpatentable over Robinson and in further view of U.S. Patent Application 2001/0049612 to Davis. Specifically, the Examiner acknowledges that Robinson does not disclose selecting a



non-qualified supplemental benefits plan. However, the Examiner is of the opinion that Davis discloses this feature.

Claims 14, 33, and 51 are now amended to recite the steps of (i) selecting a non-qualified supplemental benefits plan, (ii) inputting employee census data for a participant of the selected plan, and (iii) presenting to the user a set of financial products that are available as potential funding sources based on the selected benefit plan and the input employee census data. Support for this amendment can be found at least in Figures 5A-5M and in the specification on page 16, line 1 through page 17, line 26.

Davis does not teach or suggest the feature of presenting to the user a set of financial products that are available as potential funding sources based on the selected benefit plan and the input employee census data. At best, Davis merely discloses that a life insurance policy having a benefit amount equal to a predetermined benefit amount is selected.

For at least this additional reason, it is believed that claims 14, 33 and 51 are also patentable in light of the prior art of record and should be allowed.

#### *New Claims 57 and 58*

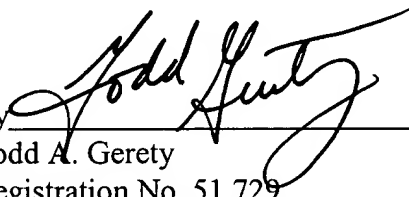
New claims 57 and 58 expressly recite a method and server apparatus respectively for comparing life insurance policies as funding sources for a non-qualified supplemental benefits plan. Support for this amendment can be found at least in Figures 5A-5M and in the specification on page 16, line 1 through page 17, line 26. The same arguments presented with respect to claims 1, 20 and 39 also apply to these new claims. Acceptance is respectfully requested.

**CONCLUSION**

In view of the above amendments and remarks, it is believed that all claims are in condition for allowance, and it is respectfully requested that the application be passed to issue. If the Examiner feels that a telephone conference would expedite prosecution of this case, the Examiner is invited to call the undersigned.

Respectfully submitted,

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EXHIBIT A

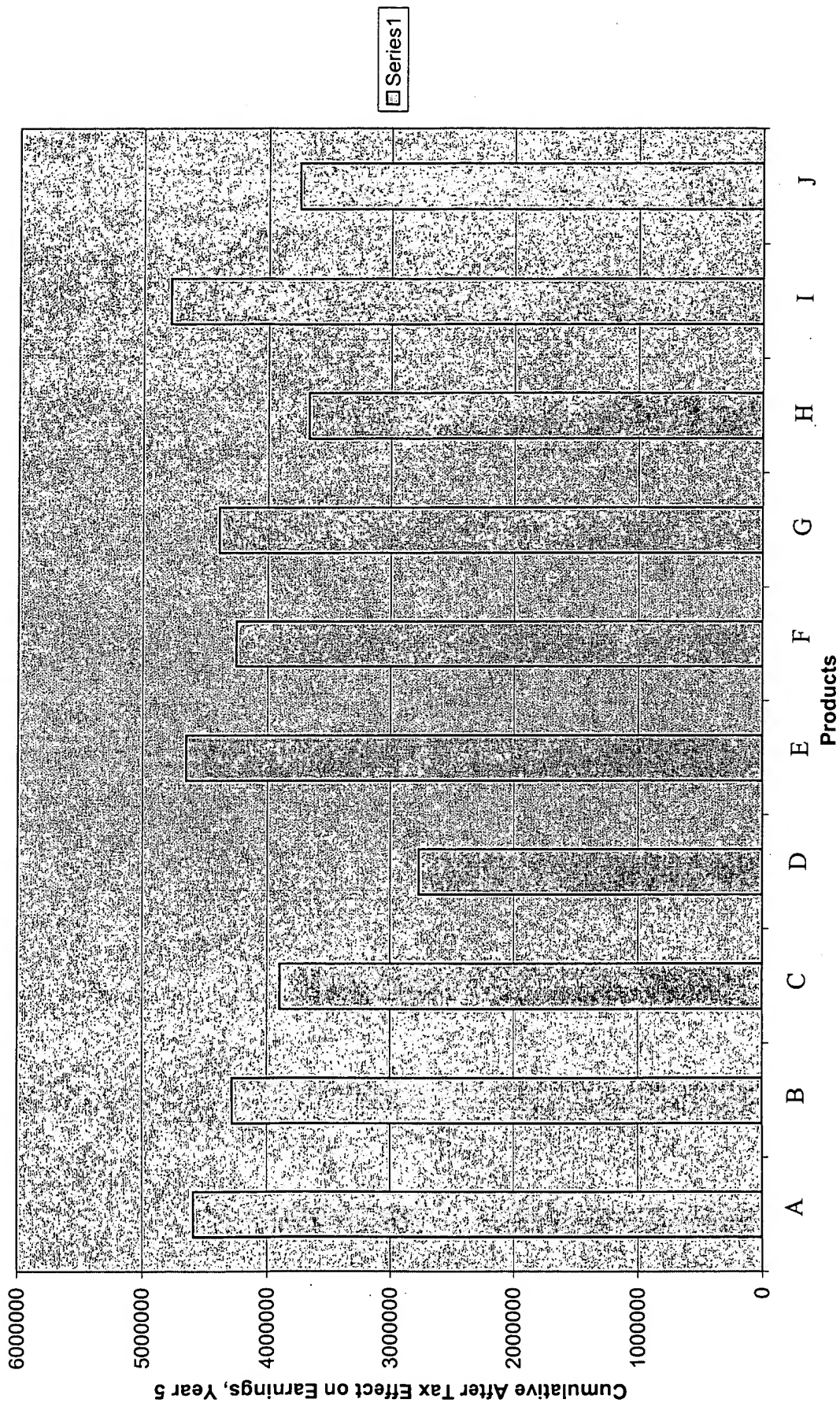




EXHIBIT B

